

Divisions Affected – All

PLACE OVERVIEW AND SCRUTINY COMMITTEE

12 NOVEMBER 2025

Local Government Reorganisation – Submission of Proposal to Government

Report by Executive Director of Resources and Section 151 Officer

RECOMMENDATION

1. The Committee is **RECOMMENDED** to

(a) note and comment on the proposal provided in the report to Cabinet at **Appendix 1**.

Executive Summary

2. On 5 February 2025, an invitation from the then Minister of State of Local Government and English Devolution to submit proposals for Local Government Reorganisation (LGR) by 28 November 2025 was received by Oxfordshire's council Leaders. In that letter, the Minister also requested that interim plans for LGR be submitted to government by 21 March 2025.
3. On 21 March 2025 Cabinet agreed to submit an interim plan for LGR in Oxfordshire in concert with city, and district councils in which a total of three proposals were detailed – a single council for all Oxfordshire, two Councils including West Berkshire and three Councils, also including West Berkshire.
4. That interim plan stated, *“This Council (the county council) would create a single front door for all local authority services across the historic and recognised County of Oxfordshire, delivering high quality, value-for-money, resilient and responsive services to residents, visitors, businesses, institutions and investors. Most importantly it would provide the strategic and economic planning platform that can harness the potential of Oxfordshire's economy for the UK while delivering much needed benefit for Oxfordshire's residents.”*
5. The County Council's proposal enclosed at **Appendix 1 – Annex 1** has been developed on that basis and is to be submitted along with the two unitary and three unitary proposals to government by 28 November 2025. The County Council is recommending the single unitary proposal which is a single countywide unitary – One Oxfordshire – the optimal form of LGR that best meets the

government's criteria.

Overview

6. The Ministerial invitation letter of 5 February 2025 inviting LGR proposals set out government's vision for "simpler, more sustainable, local government structures, alongside a transfer of power out of Westminster through devolution." It also set the rationale for LGR as an "opportunity to build empowered, simplified, resilient and sustainable local government for your area that will increase value for money for council taxpayers."
7. One Oxfordshire, the single Council for Oxfordshire, is considered the best model to meet this request, creating a better form of local government that is closer to communities, connected and cost effective, and most importantly, delivers the best outcomes for Oxfordshire's residents.
8. The statutory invitation also establishes six criteria that proposals need to address. These will be used by the Minister to determine which LGR proposals to consult on and subsequently, which one proposal to implement.
 - a. A single tier and sensible geography avoiding creating disadvantaged/advantaged areas.
 - b. The right size to achieve efficiencies, improve capacity and withstand financial shocks - new Councils must be a minimum of 500,000 with exceptions on a case-by-case basis.
 - c. Prioritises the delivery of high quality and sustainable public services.
 - d. Meets local need and is informed by local views.
 - e. Supports devolution arrangements; and
 - f. Enables stronger community engagement and delivers genuine neighbourhood empowerment.
9. Three proposals in total will be put forward to government:
 - a. One Oxfordshire proposed by Oxfordshire County Council – **Appendix 1 - Annex 1**
 - b. Oxford & Shires and Ridgeway Proposal – **Appendix 1 - Annex 2**
 - c. North Oxfordshire, Ridgeway and Greater Oxford Proposal – **Appendix - Annex 3**

Consultation

10. For details of the One Oxfordshire engagement see the proposal at **Appendix 1 – Annex 1**, Chapter 4
11. This included a meeting of Place Overview and Scrutiny Committee on 24 September in which the issues such as diseconomies of scale, pension strain, the powers of the MSA, future role of Parish and Town Councils, area committees and financial resilience.

Risk Management

12. For details of the One Oxfordshire risk management process see the proposal at **Appendix 1 – Annex 1**, Chapter 7, section 7.3

Financial Implications

13 Local government reform in Oxfordshire will take place in the context of a decade of austerity, significant service demand and cost pressures, economic vulnerabilities, global uncertainties as well as the Fair Funding Review 2.0. A very prudent approach to reorganisation and transformation savings has been included in the financial case given these risks, and to ensure any future financial shocks can be managed.

14 Total savings of £63.3m per annum are expected by Year 5. These comprise the savings from reorganisation of £30.1m, which will be achieved in full by Year 3 and savings from transformation of £33.2m achieved in full by Year 5. In total, net savings of £162.6m will be achieved by Year 5.

15 The cost of transition to a new council is estimated to be a one-off sum of £21.9m. The payback period for One Oxfordshire is therefore approximately 1.3 years, with total savings from reorganisation alone of £104.5m by Year 5.

16 While transition costs will be repaid through savings achieved through reorganisation, the Council has already committed £10m from earmarked reserves, which can be used towards the cost of local government reform and devolution. It is expected that the Year 0 transition costs will be met from this reserve so recurring savings will start in Year 1.

17 Following transition, a single unitary council for Oxfordshire will be able to generate further annual savings through transformation of £33.2m a year by Year 5. One-off costs of transformation are expected to be £16.6m.

Comments checked by:

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Legal Implications

18. Local government reorganisation is governed by the Local Government and Public Involvement in Health Act 2007. The Secretary of State can at any time invite proposals for a single tier of local government from local authorities and also has the power to direct authorities to submit proposals.

19. The Council has been invited to submit a proposal for local government reorganisation in accordance with Section 7 of the Local Government and Public Involvement in Health Act 2007 and has been asked to submit a finalised proposal by 28 November 2025.
20. The approval of the Council's final proposal for submission to government is an executive function in accordance with Section 9D(2) of the Local Government Act 2000.
21. Following submission of the final proposal by 28 November 2025, should the government decide to implement any proposal, legislation will have to be agreed by parliament prior to moving to elections to new "shadow" unitary authorities. At this stage it is envisaged that these elections would be held in May 2027.
22. A shadow authority is one that is elected to carry out the functions of a new unitary council until that authority formally comes into being. This is commonly called "vesting day" and is anticipated to be 1 April 2028.
23. The best value duty is contained in Section 3 of the Local Government Act 1999 from which the Council is under a duty to make arrangements to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness. This report and the proposal at Annex 1 set out the financial and other implications of the recommended final proposal for One Oxfordshire which Members are advised to consider in full.

Comments checked by:

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Equality & Inclusion Implications

24. An EIA for One Oxfordshire is set out in **Appendix 1 - Annex 5**.
25. The EIA finds a neutral-to-positive equalities position, contingent on disciplined transition management and ongoing monitoring by protected characteristic. A single council model enables more consistent access to services, reduces fragmentation, and supports county-wide strategies to tackle deprivation and health inequalities.
26. The recommended no-regret actions (Senior Responsible Officers (SROs) for continuity/equalities, cautious policy harmonisation, early localism standing-up, provider payment assurance, and workforce equality monitoring) are proportionate and within the direction of travel already set by the proposal; they do not pre-commit unapproved policy.

Lorna Baxter, Executive Director of Resources and S151 Officer

Annex: **Appendix 1** – Local Government Reorganisation – Submission of Proposal to Government – Report to Cabinet November 2025

Annex 1 – One Oxfordshire Proposal

Annex 2 – Oxford & Shires and Ridgeway Proposal

Annex 3 – North Oxfordshire, Ridgeway and Greater Oxford Proposal

Annex 4 – 250205 JM LGR invitation to leaders
Oxfordshire Final

Annex 5 - EIA for One Oxfordshire proposal

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